

FINAL BILL REPORT

ESHB 1512

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Synopsis as Enacted

Brief Description: Authorizing the funding of rail freight service through grants.

Sponsors: House Committee on Transportation (originally sponsored by Representatives Haler, Roach and Klippert).

House Committee on Transportation
Senate Committee on Transportation

Background:

The Department of Transportation (DOT) administers a rail grant program referred to as the Emergent Freight Rail Assistance program. The DOT periodically issues a call for projects and analyzes grant applications. The 2008 state transportation budget requires the DOT to use a cost-benefit analysis to evaluate project applications in order to assess public benefit.

The DOT's Emergent Freight Rail Assistance program is funded through the Essential Rail Assistance Account. State law stipulates that grants from the Essential Rail Assistance Account provided to privately-owned railroads or for improvements on privately-owned railroads must be given in the form of loans. The Washington Constitution, Article 8, Section 5, prohibits the lending of state credit.

Summary:

The DOT is allowed to provide grants from the Essential Rail Assistance Account to privately-owned railroads or for improvements on privately-owned railroads, so long as:

- the property meets the statutory eligibility criteria for state assistance;
- the contractual consideration supporting the grant consists of defined benefits to the public with a value equal to or greater than the grant amount; and
- grant recipients provide the state a contingent interest adequate to ensure that the identified public benefits are realized.

Votes on Final Passage:

House	96	0
Senate	47	0

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Effective: July 26, 2009